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to **NEW**

JUN 5 - 1963

through **RURAL AREAS DEVELOPMENT**

CURRENT SERIAL RECORDS







Farmers Home Administration representative James Thompson, left, talks with Miller at his farm. His new home is under construction at rear. N-48533

## ONE FAMILY'S STORY....

Vaughn Miller considers himself a lucky man.

Because the people of Johnson County, Tennessee, are making new jobs and new opportunities for themselves through the Rural Areas Development program:

1. Miller now knows he will be able to stay on the farm in the county where he has lived for 19 years.

2. Miller's wife got a job at one of three new plants which the rural development program helped bring to Johnson County. These plants have given the county's economy a \$1 million a year boost.

3. The increase in buying power has meant increased sales at the furniture store where Miller works and in other stores up-and-down Main Street in Mountain City.

4. Miller and his wife own a new home that "couldn't have been built" if it were not for the economic upswing caused by the RAD program.

"It's wonderful," says Miller. "The entire community seems more lively, and there is more chance for our two daughters to stay here when they grow up."

The outlook wasn't always so bright.

A few years ago, most Johnson County farms were on the downgrade because owners of farms in the hilly area, once plowed by horse, could not compete with larger, more level farms on which



modern agricultural machinery could be used.

To Vaughn Miller, who runs a small farm when he isn't busy at the store, and to his neighbors, it meant less money. Business suffered in the county's towns, where farmers traded. When opportunities became too limited, people began leaving the county--among them half of Mr. Miller's high school friends.

Between 1950 and 1960, the county's population dropped from 12,278 to 10,765. Most of those leaving were in the productive 15-39 age bracket.

The turning point began in the late 1950's when, in the words of Banker R. J. Howard, "a few of the local businessmen here, a little group of us, just joined together and sort of spearheaded this move."

The Johnson County Court created the Johnson County Industrial Commission. An industrial committee was set up, a farm was turned into an industrial park, and local residents voted a \$400,000 bond issue to erect a building needed to attract a garment factory to locate in the park.

The park needed sewage and water facilities. For this, the now heavily-indebted county applied to the Area Redevelopment Administration (ARA) of the U.S. Department of Commerce. Because of its low per capita income, Johnson County had been named an area eligible for assistance shortly after the Area Redevelopment Act was passed in 1961.

To obtain an ARA loan of \$60,000 and a grant of \$46,300 for water and sewage systems to serve the industrial park, local people needed to prepare an overall economic development plan (OEDP) for the county.

"In creating this OEDP," Banker Howard said, "we found that we needed to expand leadership--expand the program to bring in others. So we selected an individual who was a leader in his community for each of the different phases of our economy and made him a committee chairman, and gave him a list of the people we had suggested he use on his committee."

More than 200 local people working on 16 committees prepared the plan by digging into all aspects of the county's development problem to outline their assets and liabilities and their goals and means of obtaining them. At the request of the local leaders, help on the plan came from workers of the University of Tennessee Cooperative Extension Service and the U.S. Department of Agriculture (USDA).



Mrs. Miller helps assemble garments in the new factory, where 5,000 ladies' and children's nightclothes are turned out weekly. This plant and two others provide 339 jobs that did not exist before. N-48512

Miller works as a salesman and generally helps run this furniture store at Mountain City. His salary of \$3250 a year is almost double the median income for the county, but until his wife started working he felt it was too low to allow him to build a new home. N-48526





The garment factory where Mrs. Miller works is shown in the industrial park, large enough to hold two more buildings of this size which the county expects will settle there. The county and State of Tennessee will soon invest \$100,000 to build better access roads to the park. N-48508

A look at the OEDP shows many things typical of rural America as a whole. There had been a marked decline of young people, and the number of people over 40 had increased. Farm income was down. In 1960, half the farms and rural families made under \$1,800. About one-third of the high school students dropped out before graduation. Of the people 25 and older, half had less than eight years of formal education.

Local USDA workers, who already were helping farmers to carry out various programs, organized themselves into a Technical Action Panel to better focus these programs as well as new programs on the over-all needs of Johnson County people. The panel is composed of representatives of the Farmers Home Administration (FHA), Soil Conservation Service (SCS), Agricultural Stabilization and Conservation Service (ASCS) and the Forest Service (FS). They helped prepare the OEDP. The County Agricultural Extension Agent acts as liaison between the TAP and local committees. The Home Demonstration Agent worked with the county health and welfare departments in preparing their part of the OEDP. She also helped the schools survey the students to see what they wanted in the way of occupational training and opportunities.

Because of the local people's drive, three factories located in the county. Their payrolls and the effect of the new money being made and spent in the area contributes approximately \$1 million annually to the county's economy.

Mrs. Miller works at the largest of the three plants--a garment factory which employs 204 men



With both of them working, the Millers can think of expanding their part-time farm operation, as others in the area have done since the development program started. Miller looks over plant food with Warren Garland, manager of a farm supply cooperative store on Main Street. N-48564



and women and plans to hire another 100. A cotton work glove factory employs 115. It plans to construct its own building and hire 85 more people when it moves from its temporary quarters. A hosiery knitting mill employs 20 people.

"The community seems more lively, especially the people of 30 or younger," says Mr. Miller, explaining what the development program has meant

to his neighbors. "At the furniture store our cash sales are more than they have been in the past, our credit is sounder, and when we make sales on time payment, very few people miss payments, due to the new industry."

Some stores have taken on new help since the development program started, and bank deposits in the county are up \$809,256 over two years ago.

The Millers are only one of the hundreds of families whose increased buying power has boosted sales on Main Street. Here, the Millers examine a new range they would like to have for their new home. N-48562





The Millers have confidence in the county. On April 1, they moved from their old home into a new one (see cover pictures) they built under a Farmers Home Administration loan. "But," says Mr. Miller, "if it wasn't for this rural development (program) . . . I know we couldn't have built." The Farmers State Bank, which was a leader in promoting the Rural Areas Development program, gave Miller a \$3,500 loan to buy the land on which his house was built. However, bank credit was not available for building the new house.

About 23 new homes, several financed by FHA loans totaling \$151,190 have been built in the past 12 months.

Other USDA programs are helping.

Mr. Miller last year seeded some of his cropland to grass, as part of a long-term crop rotation to hold and improve the soil. ASCS shared the cost, with a \$38 payment. Other farmers--some 800 of them--who are planting pastures, planting trees, and doing other conservation work to stop soil washing and better use their land, receive from \$42,000

to \$48,000 a year in conservation cost-sharing payments. In the past two years, tobacco growers have carried \$105,000 in insurance on their crops with the Federal Crop Insurance Corporation.

Some of Mr. Miller's neighbors over in Beaver Dam Creek watershed are being helped by the Soil Conservation Service to stop flooding of their farmland by Beaver Dam Creek. The Johnson County Soil Conservation District and the Shady Valley Watershed District are sponsors of the small watershed program.

New picnic grounds, parking areas, campgrounds, and improved trails and roads are being constructed in Cherokee National Forest, to serve more people who seek outdoor recreation in the National Forest. Major improvements have been made at Backbone Rock, a favored recreation area. The Forest Service is using about \$129,000 in Accelerated Public Works funds to speed these improvements. In 1962, nearly 42,000 recreation visits were made to the Johnson County part of Cherokee National Forest--an increase of almost 4,000 over 1961.

Mrs. Miller happily watches the cleaning of windows in the family's new home by her daughters, Shirley, center, 12, and in the 6th grade; and Corol, 10, in the 5th grade, of Mountain City Elementary School. The Millers hope their children will stay in the county when they grow up.







Members of the local committee meet with TAP members to plan further progress for the county. While the new industry has helped, more will be needed to secure the future of Johnson County, but the first round has been won. Left to right are (Seated) local leaders: John Rutherford, manager, Mountain City Electric Cooperative; J. H. Nave, farmer and insurance man; R. J. Howard, banker, and leader of the development program; McQuown Wright, farmer and merchant; R.D. Fritts, newspaper publisher; and TAP members Ray Bryant, SCS; (Standing) TAP chairman Jim Thompson, FHA; and Paul Matheson, ASCS.

Johnson County people also plan to develop recreational facilities of their own to attract tourists. They plan to create campgrounds and picnic areas to provide easier access to fishing, boating, and swimming in nearby Wautauga Lake. In addition, different types of hunting are available in the State-Federal Kettlefoot Wildlife Management Area, over 12,000 acres of which are in Johnson County.

The County Agent has helped Mr. Miller on problems he had with growing tobacco. Country-wide improvements in agriculture include an expanded dairy program, which has more than doubled milk sales, and increased sales of cattle, calves, eggs, potatoes, and strawberries.

The Farm Credit System, supervised by the Farm Credit Administration, helped finance farmers through its various credit cooperatives. Vaughn Miller, for example, does business through Tri-State Growers, Inc., a farmer cooperative at Mountain City which obtains credit from the Bank

for Cooperatives at Louisville, Kentucky and the local bank. Tri-State auctions vegetables and buys farm supplies for its members and farmers in the surrounding area.

The Federal Land Bank Association of Johnson City (in Washington County, Tenn.) has 46 loans outstanding for \$400,000 in Johnson County. The Mountain City branch office of the Eastern Tennessee Production Credit Association, at Greenville, Tennessee, made 150 loans totaling \$400,000 in Johnson County in 1962.

The Farmers State Bank in 1962 had nearly \$2 million in loans outstanding in the area, most of it for home, farm and business improvements.

Mr. Miller is also a member of the Mountain Electric Cooperative, Inc., a borrower of the USDA's Rural Electrification Administration. This is the cooperative that supplies power for the new factories.

Because of the initiative of the local people,



working together on a coordinated rural areas development program with the services of the U.S. Departments of Commerce and Agriculture, Johnson County, Tennessee, is on the upswing. Ask Vaughn Miller. He thinks the development program is "wonderful!"

*"For a companion story on the Rural Areas Development program for Johnson County, see Picture Story 154, available from the address below."*

Mountain City's now bustling Main Street is lined with cars and shoppers. Some stores have taken an new help, part of the multiplying effect of new money being made and spent in the county. BN-18497



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